

## DELPHI CONFIDENTIAL

**Date:** November 29, 2001

**Subject:** Administrative Guidelines – 2002 Delphi Automotive Systems U.S. Salaried Employee Retirement Incentive Program and Career Transition Program

**To:** U.S. Personnel Directors, H.R. Directors

The following guidelines, attachments, and exhibits describe the provisions of and administrative matters related to implementation of a Delphi Salaried Retirement Incentive Program ("SRIP") and Career Transition Program ("CTP"). These management-initiated separation incentives may be offered for 2002 to selected eligible U.S. salaried employees. **The terms of these incentive separation programs are somewhat different than prior incentive separation programs.** Highlights are as follows; details are contained in the document.

- **The programs will be effective March 1, 2002; however, employees may voluntarily elect to separate with program benefits as early as January 1 or February 1, 2002. Candidates may choose any of the three dates, however they must be –given the opportunity for a 45 calendar day period to consider whether to participate in the SRIP or CTP. While candidates may choose to make their decision anytime within the 45-day period, they cannot be required to waive the 45-day period or to make their decision before 45 calendar days have elapsed.**
- **Months of leave of absence/salary continuation provisions for the CTP have been reduced from previous schedules to a minimum of 5 months for 1 year of service and a maximum of 14 months for 25+ years of service.**
- **Participants in the SRIP or CTP will not earn vacation eligibility or receive the Flexible Compensation payment, any merit treatment and/or incentive compensation payout (if any) for 2002.**

All SRIP and CTP candidates are to receive the appropriate "Candidate Information" document and the corresponding "Agreement" form(s) only after the required candidate lists have passed the necessary tax law non-discrimination tests. Discussion with approved candidates may take place as early as December 2001. **Candidates who voluntarily elect to retire or commence a CTP leave on January 1, 2002 should be advised their "Agreement" revocation period is at least 7 calendar days or January 2, 2002, whichever is later. Candidates who choose to retire or commence a CTP leave on February 1 or March 1, 2002 should not sign the "Agreement" form prior to January 2, 2002.** This requirement is to allow all necessary accounting charges associated with these separations to be booked in Q1 2002. All SRIP and CTP candidates must be given the appropriate listings of job titles and ages of employees selected and those not eligible or selected (ADEA list). The 7-calendar day revocation period may not be waived; however, participants may separate during this time period.

The voluntary attrition tools described in this document were requested by the divisions to assist in addressing their structural cost reduction goals and it is expected that these programs will not continue in the near term. In the event there is not sufficient staffing reduction as a result of the use of these tools, involuntary separations may be necessary in 2002.

SRIP/CTP questions should be directed to the Delphi Employee Relations Activity or Employee Benefits Activity, as appropriate. Any inquiry from the news media should be directed to Delphi Corporate Affairs.

Skip Wagner, Executive Director  
Salaried Personnel

Attachments

2002 Delphi SRIP & CTP  
11/01

DPH-OTM-0000568

2002 Delphi U.S. Salaried Employee  
Retirement Incentive and Special Career Transition Programs

**Table of Contents**

2002 Delphi Salaried Retirement Incentive Program and Career Transition Program.....	1
Intended Applicability.....	1
Eligibility Provisions .....	1
<input type="checkbox"/> SRIP .....	1
<input type="checkbox"/> CTP .....	1
SRIP and CTP General Program Provisions .....	1
Pre-Decision and Reemployment Services.....	3
SRIP Specific Provisions .....	4
CTP Specific Provisions .....	5
<input type="checkbox"/> Pension Protection.....	6
Operating Considerations.....	7
Other Provisions.....	7
PRISM Codes, Reports, and Processing.....	7
Agreement Forms.....	9
ATTACHMENT A - CTP Life and Disability Matters .....	1
ATTACHMENT B - CTP Summary of Transactions/Key Provisions .....	2
ATTACHMENT C - SRIP Pension Administration Guidelines .....	3
ATTACHMENT D - Sample List Age Summary of Candidates.....	4
EXHIBIT 1 - SRIP Candidate Information .....	1
EXHIBIT 2 - CTP Candidate Information .....	5
EXHIBIT 3 - SRIP Agreement.....	10
EXHIBIT 4 - CTP Agreement.....	12
EXHIBIT 5 - SRIP Addendum to Change.....	14
EXHIBIT 6 - CTP Addendum to Change .....	15
EXHIBIT 7 - SRIP Candidate Electing CTP Participation Form.....	16

## **2002 Delphi U.S. Salaried Retirement Incentive and Career Transition Programs**

### **Intended Applicability**

The 2002 Salaried Retirement Incentive Program ("SRIP") and Career Transition Program ("CTP") are effective March 1, 2002; however, eligible candidates may voluntarily choose to accept program provisions as early as January 1 or February 1, 2002. They are intended to be management tools for use by U.S. Delphi units to encourage retirement or mutually agreeable separation of employees who are deemed redundant and/or whose skills, abilities and/or positions do not meet Delphi's needs in the future. While it is management's responsibility to identify and select candidates, participation in either program is voluntary. Candidates cannot be forced to participate. The SRIP and CTP are designed primarily for classified salaried employees. However, the SRIP and CTP separation incentives may be offered on a very limited basis to selected executive employees who are **not** eligible for the Executive Retirement Incentive Program ("ERIP").

### **Eligibility Provisions**

- For the SRIP:
  - Candidates who will be age 55 and above by 12/31/2002 must have at least 10 years of credited service on or before their date of retirement.
  - Candidates ages 52 - 54 must have at least 25 years of credited service on or before their date of retirement.
  - Candidates must be at least age 53 by December 31, 2002 and less than age 62 at retirement.
  - Candidates must be on an approved list, which passes tax law non-discrimination testing.
- For the CTP:
  - Candidates must have accrued at least 1-year length of service prior to the commencement of CTP leaves of absence.
  - Candidates must be on an approved list. The list of candidates who are to receive pension protection must pass tax law non-discrimination testing.

### **SRIP and CTP General Program Provisions**

- While it is management's responsibility to identify candidates, **participation** in the SRIP or CTP **must be voluntary** and agreed to by participants in writing. However, employees will not be barred from consideration if, on their own initiative, they indicate an interest in either the SRIP or CTP. In such cases they must meet the eligibility criteria for the SRIP or CTP and management has the final decision to determine whether or not it is in the Corporation's best interest to offer participation.

- SRIP Candidates who meet the eligibility provisions for both the SRIP and CTP are to be given the option to participate in either one, but not both, of the offerings. No person may appear on the candidate list of both the SRIP and CTP being offered at the same time. A SRIP eligible candidate who elects to participate in a CTP must sign a form (**Exhibit 7**) so indicating.
- **SRIP and pension protected CTP candidates are not to be made formal offers to participate until the required candidate lists have passed the necessary tax law non-discrimination testing and have received management approval.** Management approval of candidate lists for CTP without Pension Protection also is required. Management approval authority for all candidate lists expressly has been delegated to the Chairperson of the Employee Benefit Plans Committee. The Corporate Employee Relations Activity will communicate such approval at the earliest possible date. No employees may be added as SRIP or CTP pension protected candidates after final completion of the tax law non-discrimination testing.

**NOTE:** Tax law non-discrimination testing must be performed separately for all SRIP candidates and CTP Pension Protection eligible candidates. An employee is a highly compensated employee (HCE) if total compensation, including pre-tax S-SPP contributions and Options! deferrals, exceeded \$85,000 for 2001. For preparation of candidate lists, each unit should assure that not more than 25% of the employees identified had compensation in excess of \$85,000 for calendar year 2001.

- No employees may be added as SRIP or CTP candidates after distribution of the ADEA lists of job titles and ages of candidates and non-candidates for each program.
- All approved SRIP and CTP candidates are to be provided at least 45 calendar days to decide whether to participate and 7 calendar days to revoke their decision. Candidates may choose to use, or not to use, the entire 45 calendar day decision period, however they must be provided with the opportunity to use the full 45 days. Participants may voluntarily elect to separate as early as January 1 or February 1, 2002 and receive program benefits. Employees electing to separate January 1 or February 1 should expect to receive program benefits retroactive to their effective date.
- Candidates who voluntarily elect to retire or commence a CTP leave on January 1, 2002 should be advised their "Agreement" revocation period is at least 7 calendar days or January 2, 2002, whichever is later. **Candidates who elect to retire or commence a CTP leave on February 1 or March 1, 2002 should not sign the "Agreement" form prior to January 2, 2002.** The 7-calendar day revocation period may not be waived; however, participants may separate during this time period.
- All candidates **must** be given the appropriate "2002 SRIP Candidate Information" (**Exhibit 1**) or "2002 CTP Candidate Information" (**Exhibit 2**), the corresponding "Agreement" (**Exhibit 3 or 4**) form, and an individual copy of the appropriate listing of the job titles and ages of other candidates and non-candidates for the SRIP or the CTP (ADEA list). It is not sufficient to simply make a copy of the job title/age list available to employees upon request. Copies of the lists will be distributed to the divisional HR Directors by the Corporate Employee Relations Activity. Management should retain proof of distribution of the appropriate lists to each candidate. A sample SRIP list is included herein (**Attachment D**). Questions concerning the lists should be directed to Denise Smark, 248. 267.5635. All

required information (including the Candidate Information, the "Agreement" and the ADEA list) must be given to the candidates to start the 45-day period for consideration of the incentive separation offer. To allow for a possible 45-day consideration period, the last day an approved candidate may receive the required information is **January 14, 2002**.

- To be eligible, each participant **must** execute the prescribed "2002 Delphi U.S. Salaried Retirement Incentive Program Agreement" form (**Exhibit 3**) or "2002 Delphi U.S. Career Transition Program Agreement" form (**Exhibit 4**), which appear under the heading "Agreement Forms". The participant must execute the prescribed agreement prior to the effective date of retirement or CTP leave. In addition, candidates who become disabled prior to their effective date of retirement or CTP leave must execute the "Addendum To Change 2002 Delphi U.S. Salaried Retirement Incentive Program Agreement" (**Exhibit 5**) or the "Addendum to Change 2002 Delphi U.S. Career Transition Program Agreement" (**Exhibit 6**).
- Even though some candidates may indicate they intend to retire under the SRIP or separate under a CTP, whichever is applicable, they may change their minds at any time prior to the scheduled effective date, unless: (1) they have executed the appropriate agreement form, (2) the revocation period has expired, and (3) management has relied on the candidate's initial declared intention and has made decisions regarding operations, staffing, redeployment, job assignment, or employee placement.
- **Pre-Decision Counseling** may be provided on a case-by-case basis to assist candidates in making career and financial decisions relative to participating in the incentive separation programs. **Reemployment Services**, e.g. consultation, resume preparation, interviewing skills, etc. will be available to those candidates who elect to participate in the CTP. While these services are being offered principally to **CTP candidates**, they may be extended to SRIP candidates in those cases where these services will facilitate the candidate's decision to participate in the SRIP. Right Management Consultants will provide the above-described services until further notice. In order to enroll a candidate the unit should call Denise Smark 248.267.5635. All charges for these services will be re-billed to the employing unit.
- All SRIP or CTP participants, who established spending accounts for 2002 during the Options! enrollment process in 2001 or as the result of a life event prior to their separation may continue to submit claims for reimbursement for services incurred during 2002 through March 31, 2003. Further, such participants will be responsible to satisfy 2002 payment obligations to health care spending accounts (i.e., monies will be deducted from the last salary check to satisfy such obligations).
- Participants in the SRIP or CTP **will not** receive the 2002 Flexible Compensation payment.
- Participants **will not** earn vacation eligibility, receive any merit treatment and/or incentive compensation payout (if any) for 2002.
- Any stock options, including the Founder's Grant, retained by participants from prior years must be exercised in accordance with the acceptable plan terms within 5 years of the effective date of retirement for the SRIP or within 3 years of the commencement of a CTP leave. Any required "holding period" is included in these time limits.

- Employees who accept and participate in the incentive separation programs may not return to Delphi as employees, independent consultants/contractors or bundled service personnel. This restriction applies to subsidiaries, affiliated companies or companies in which Delphi has an ownership interest. Additionally, participants separating under the SRIP or CTP will not be eligible to be assigned by a vendor to Delphi to work in a contract service personnel assignment absent advance divisional approval in accordance with corporate guidelines.

#### **SRIP Specific Provisions**

- Candidates ages 58-61 on the approved list of candidates for the SRIP may retire with unreduced benefits under the Delphi Automotive Systems Retirement Program for U.S. Salaried Employees ("SRP") once they have signed the appropriate "2002 Delphi U.S. Salaried Retirement Incentive Agreement" form (**Exhibit 3**).
- Candidates ages 52-57 on the approved SRIP candidate list may retire with actuarially determined SRP benefits as follows:

<u>Age</u>	<u>% of Benefit</u>	<u>% of Benefit – Voluntary Retirement if qualified</u>
57	93.5	69.4
56	87.3	63.5
55	81.6	57.9
54	81.6	53.2
53	81.6	48.9
52	81.6	45.0

All age applications will be determined as of the participant's retirement date, except otherwise eligible employees who will attain age 53 by December 31, 2002 will be allowed to participate in the SRIP. The 81.6% benefit applies to candidates who retire at age 52 but will attain age 53 by December 31, 2002.

- SRIP participants will be provided Basic Life, Optional Life, Dependent Life, and Personal Accident Insurance, plus Health Care coverages on the same basis and conditions as other retired salaried employees receiving SRP benefits which are unreduced for age. However, SRIP participants hired on or after January 1, 1993 will be offered health care coverages on an employee pay all basis and may convert Basic Life insurance to an individual policy of insurance in accordance with plan provisions.
- Participants may leave their savings in the Savings-Stock Purchase Program ("S-SPP") or take distributions per the S-SPP provisions.

### **CTP Specific Provisions**

- The CTP is designed to assist employees who have one or more year's length of service to transition to careers outside Delphi. For this purpose, **CTP leaves of absence and salary continuation** will be made available to certain regular salaried employees who sign the appropriate "2002 Delphi U.S. Career Transition Program Agreement" form (**Exhibit 4**) agreeing to separate from employment upon expiration of their CTP leave.
- Continuous length of service and monthly base salary at the commencement of the CTP leave of absence will be used in determining the length of the CTP leave and the amount of salary continuation:

<u>Years Length of Service</u>	<u>Months of CTP Leave/Salary Continuation</u>
1 < 5	5
5 < 10	6
10 < 15	8
15 < 20	10
20 < 25	12
25+	14

- Participants on CTP leave will **not accrue credited service under the SRP**, will not make contributions to the SRP or S-SPP, and will have no disability benefits coverage or eligibility to apply for a total and permanent disability retirement.
- **Benefit Coverage** available to all participating employees during a CTP leave of absence will include:
  - Corporation contributions for Basic Life Insurance coverage continues until expiration of the CTP leave. Optional Life, Dependent Life, and Personal Accident Insurance provisions continue to apply on the same basis as for active employees, i.e. coverage continues while required contributions are made).
  - Participants who have elected Long Term Care Insurance may continue their coverage through payroll deductions. When the CTP leave ends, John Hancock Financial Services will contact them to determine their preferred method of payment.
  - Participants currently enrolled in the salaried benefit program will be permitted to continue participation as modified for health care under the following terms:
    - Participants who **are not eligible to retire** at expiration of the CTP leave will have continued health care coverage available under either COBRA or CTP continuation. The participant must choose one or the other prior to commencement of the CTP leave and contributions will be as noted below:

**COBRA:** Employee-paid at 102% of "full cost." All coverages available; maximum duration generally 18 months; conversion of core coverage (other



than prescription drug, hearing aid, dental, vision or Extended Care Coverage) is available at expiration of the COBRA continuation period.

CTP: Dental coverage ceases at the end of the month the participants are last in active service and no conversion is available. Other coverages may be continued for the balance of the leave. Up to the first 6 months, participants on leave will make the same monthly contributions and other cost sharing payments as active employees (based on options elected and number of individuals covered). After 6 months, participants remaining on leave pay 50% of the "full cost" of coverages that are continued as well as any applicable cost sharing that may be required based on the options elected. At the expiration of the CTP leave all coverages cease. Conversion policies for coverages other than prescription drug, hearing aid, vision and Extended Care Coverage are available from the carriers with whom participants were enrolled immediately preceding separation.

- Participants **who are eligible to retire** at the expiration of CTP leave will be eligible for health care coverage on the same basis as regular employees during the CTP leave period. When such participants retire, continuation provisions applicable to salaried retirees will apply based on the eligibility provisions for the Health Care Program on the date of retirement.
- **Pension Protection** is available to longer service employees who have 20 or more years of credited service at the commencement of CTP leaves of absence but are not eligible to retire at the conclusion of the leave, and provides the following:
  - The SRP has been amended to increase the final average salary by 3% for each full year (noncompounded) until the earlier of age 60, commencement of deferred retirement benefits, death, or date the participant elects a cash out.
  - Final average salary, for purposes of determining vested benefits, will not include salary received during the period of the CTP leave.
  - Deferred retirement benefits under the SRP are payable on an unreduced basis at age 60. Alternatively, the participant may elect to have such benefits commence as early as age 55. In such case, however, the benefit would be reduced from age 65.
  - The 3% pension protection and unreduced benefits as early as age 60 provisions do not apply to employees who are eligible to retire at the conclusion of the CTP leave.
- The S-SPP has been amended to extend loan eligibility to all participants who have separated from Delphi under the CTP. Former employees will have access to their S-SPP assets via loans on the same basis as active salaried employees. Loans must be repaid by making monthly cash payments.

### **Operating Considerations**

The SRIP and CTP incentive separation programs cost Delphi a substantial amount of money. This should be taken into consideration by management as it plans and makes decisions relative to candidates, especially when considering replacements. Every effort must be made to limit any replacements to only those instances where it is absolutely necessary to meet the objectives of the business while avoiding adverse impact on the division's structural cost reduction goals. In no case can the number of **replacements** for all SRIP or CTP participants exceed **10%** of those separating (i.e., one replacement for every ten acceptances). Any replacement requests **must** be approved by the appropriate Delphi Strategy Board member or delegate.

### **Other Provisions**

- It is not intended that employees with established current unsatisfactory performance ratings be offered the SRIP or CTP. Their situations should be reviewed with the objective of improved performance or separation via the "final release" classification. Moreover, once candidates have accepted an offer to participate, they must maintain satisfactory performance levels until such time as they leave the work force.
- **The benefit provisions of the SRIP and CTP are subject to the terms and conditions of each applicable benefit plan or corporate policy including Delphi's reservation of its right to increase or decrease certain benefits and to amend, modify, suspend, or terminate any such benefit plan or policy. No special considerations or promises (i.e., no "special deals") are to be made to participants in the SRIP or CTP with respect to any future changes to any benefit plan (e.g., health care).**
- Delphi, as administrator of the SRIP and CTP, has discretionary authority to make factual findings, interpret and apply all SRIP and CTP provisions, and resolve all questions arising in the administration and application of the SRIP and CTP.
- The prescribed appeal procedure for denied participation in either the SRIP or the CTP is through the Delphi Open Door Policy. The Divisional Salaried Human Resources Director will make the final decision.
- The SRIP and the CTP are governed by the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

### **PRISM Codes, Reports, and Processing**

PRISM will be utilized to implement SRIP and CTP transactions and to provide information for tax law non-discrimination testing and management reporting. The transaction codes will be coordinated with payroll and appropriate benefits systems.

- Candidate information for both SRIP and CTP must be input on the Incentive Separation (IS) screen of the Special Situations Menu of PRISM for the purpose of tax law non-discrimination testing/reporting as follows:

**Anticipated Retirement or  
Leave Commencement Date**

March 1, 2002

**"IS" (Incentive Separation)  
Input Deadline**

**November 29, 2001**

Such input for testing does not require generation of a 215. The following steps are required:

1. Enter the candidate's **Social Security Number** .
2. Enter the **Effective Date of March 1, 2002** - This is the **date of potential separation** on the IS screen.
3. Enter the appropriate **Incentive Separation Code** as follows:

- For SRIP candidates **DA04**
- For Special CTP candidates

- |             |   |
|-------------|---|
| <b>4T02</b> | For candidates who will be eligible to retire at the conclusion of the leave of absence   |
| <b>4Y02</b> | For candidates not eligible to retire at the conclusion of the leave of absence but who will have 20 or more years credited service at the commencement of their leaves of absence (i.e., those eligible for Pension Protection). |
| <b>4Z02</b> | For candidates not eligible to retire and who will not have 20 or more years of credited service at the commencement of their CTP leaves of absence.  |

Tax law non-discrimination testing only will be performed for CTP candidates who are not eligible to retire but who have 20 or more years credited service.

The **"IS" input deadline is November 29, 2001 at 6:00 p.m.** at which time the file will be frozen and closed to changes. Immediately following this data entry deadline the Corporate Employee Relations Activity will begin tax law non-discrimination testing and preparation of the SRIP and CTP candidate lists from the data entered.

In addition, PRISM ad hoc reports can be developed locally for unit specific use. Examples would be a list of candidate names or an analysis of SRIP or CTP candidates. The PRISM field name for the "Incentive Code" field is INCENT\_CD and for the "Incentive Date" field is INCENT\_DT.

- **Transaction Processing** may begin after Delphi units are notified of approved candidates once tax law non-discrimination testing is completed. Thereafter, when employees have agreed to participate in the SRIP or CTP, entries must be made to the Unapproved Transaction (UT) screen as follows:
  - **SRIP:** Retiring employees are to go from employment category "Regular Active" (RA) to employment category "Separated" (SE). Use a status action code of "6G" for employees who are 60-61 years of age. Use a status action code of "6J" for employees who are 52-59 years of age, including employees who will become age 53 by December 31, 2002.
  - **CTP:** Both the leave of absence and separation transactions may be entered on the UT screen at the same time. First, enter the CTP leave and then the separation transaction utilizing the appropriate codes from **Attachment B**.

The "Comments" section of the 215 covering all CTP leave transactions should include the notation:

**"Career Transition Leave of Absence / Salary Continuation for \_\_\_\_\_  
months ending \_\_\_\_\_, 200\_."**

For the corresponding separation transaction, the 215 should include one of the following:

**"Normal/Voluntary Retirement"** (as appropriate) for employees who will retire following CTP, or

**"Special Separation Following Career Transition Leave of Absence. Employee eligible for 2002 Delphi U.S. Career Transition Program Pension Protection coverage"** for employees who will not retire but who are eligible for the CTP Pension Protection feature, or

**"Special Separation following 2002 Delphi U.S. Career Transition Leave of Absence"** for employees who are not eligible to retire and are not eligible for the CTP Pension Protection feature.

Voluntary and Normal retirements for those participants who will retire upon completion of their Special Leave of Absence-Career Transition will be processed in the usual manner in PARS.

- In the event the candidate is U.S. sourced Expatriate the following process should be used:
  - Create a 215 to repatriate the employee effective January 1 or February 1, 2002 as repatriation must occur prior to the separation. Change the employment category from "RH to RA." The comment section should state **"Repatriation due to an incentive retirement/CTP in accordance with the 2002 U.S. Classified Incentive Separation Program"**.
  - Create a second 215 to place the employee on retirement or CTP leave of absence. Change the employment category from "RA to SE or LV" as appropriate.

Questions regarding the retirement or CTP of expatriates should be directed to Sara Tiderington of International HRM at 248.267. 5615

### **Agreement Forms**

- "2002 Delphi U.S. Salaried Retirement Incentive Program Agreement" (**Exhibit 3**) and "2002 Delphi U.S. Career Transition Program Agreement" (**Exhibit 4**): As stated above, each participant in these programs must sign the appropriate SRIP or CTP agreement as a condition of eligibility prior to the effective date of retirement or CTP leave, agreeing to the terms and conditions of the respective offerings. Copies of the agreements should be reproduced locally after removing the *EXHIBIT* designation and page numbers before copying. Because the agreements to be used for these incentive separation programs are different, **agreements used for any other incentive separation programs are not to be used**. The agreements must be signed as is. Neither management nor candidates may make modifications to the agreements.
- "Addendum To Change 2002 Delphi U.S. Salaried Retirement Incentive Program Agreement" (**Exhibit 5**) and "Addendum To Change 2002 Delphi U.S. Career Transition Program Agreement" (**Exhibit 6**): In the event a candidate who has accepted an authorized offer to participate in the SRIP or CTP, subsequently becomes disabled, is disabled at the time retirement under the SRIP or the CTP leave is scheduled to begin, and still wishes to retire or go on leave as scheduled, the appropriate Addendum must be executed. In so doing, be certain the effective date for commencement of the retirement or leave of absence is the same on the Agreement form and the Addendum to it.

By signing either addendum, participants waive salary continuation payments associated with disability benefits in favor of payments and/or benefits under the SRIP or CTP. Additional information regarding the CTP addendum is contained in **Attachment A**.

These addenda do not apply to benefits under Workers' Compensation laws. Situations in which a participant eligible for the SRIP or CTP is being paid Workers' Compensation, or has a Workers' Compensation case in litigation, the situation should be discussed with the Unemployment and Workers' Compensation Activity, Sharon Smith 248.267.5747 for appropriate handling.

ATTACHMENT A

**Life And Disability Matters Connected With The  
2002 Delphi U.S. Career Transition Program**

Guidelines in connection with Life and Disability Benefits Program matters, as they apply to the 2002 Delphi U.S. Career Transition Program ("CTP"), are the same as those found in the Barbara Mahone letter dated April 2, 1993, covering the 1993 General Motors CTP, which Delphi previously adopted as its policy.

Topics included in the CTP guidelines include:

1. Life insurance continuation;
2. Sickness and Accident Benefits continuation;
3. Disability beginning subsequent to approval of the CTP leave and prior to commencement of the leave period;
4. Disability beginning prior to offer of the CTP leave;
5. Disability commencing after the CTP leave has begun and during the S&A continuation period;
6. Disability commencing after the CTP leave has begun and after S&A continuance period has expired;
7. EDB coverage continuation;
8. Employees currently on disability leaves who are receiving EDB, and employees who likely will become eligible for EDB;
9. Executives placed on the CTP leave;
10. Executives eligible to retire at the end of the CTP leave; and
11. Executives ineligible to retire under the Salaried Retirement Program at the end of the CTP leave.

Salaried Personnel Administrators who contemplate offering the 2002 CTP to employees: (1) who are on disability leave prior to the offering of the CTP and (2) who become disabled after having accepted the CTP, are to adhere to the guidelines communicated in the letter, referenced above.

In addition, attached as **Exhibit 6** is an "Addendum to Change 2002 Delphi Career Transition Program Agreement" which is to be reproduced locally without the *EXHIBIT 6* indication and must be signed by exiting disabled employees and appropriate representative of local management. A copy is to be given to the disabled employee and the original is to be retained with the employee's personnel records.

Questions concerning Life and Disabilities matters are to be directed to Michael Fligstein at 248.267.5527.

ATTACHMENT B

**Summary Of Transactions/Key Provisions  
For The 2002 Career Transition Program (CTP)**

During Planning/ Nominating Period	PRISM Employment <u>Category</u>	Employees Eligible to Retire	Employees Not Eligible to Retire But 20+ Years Credited Service	Employees Not Eligible to Retire & Less Than 20 Years Credited Service
	RA, RH	IS Screen Code 4T02	IS Screen Code 4Y02	IS Screen Code 4Z02
	PRISM Status <u>Action</u>	Career Trans lv. 7T (Retirement)	Career Trans lv. 7Y (Pen. Protection)	Career Trans lv. 7Z (Spec. Separ.)
During Salary Continuation/ Leave of Absence	PRISM Employment <u>Category</u>	LV	LV	LV
	<u>Benefits</u>	Flex Options	COBRA/ Program	COBRA/ Program
	<u>Effective Date</u>	1st day of the month	1st day of the month	1st day of the month
	PRISM Status <u>Action</u>	Retire 6D (Vol) Retire 6K (Normal) Retire 6X (Quit)	Sep-Career Trans 5Y (Pen. Protection)	Sep-Career Trans 5Z (Spec. Separ.)
	PRISM Employment <u>Category</u>	SE	SE	SE
Following Salary Continuation/ Leave of Absence	<u>Benefits</u>	Retirement Coverage	None	None
	<u>Pension Protection</u>	No	Yes	No
	S-SPP Loan Eligibility Following <u>Separation</u>	Yes	Yes	Yes
	<u>Effective Date</u>	1st day of the month	Last day of Sal. Continuation	Last day of Sal. Continuation

*Note: Special attention to proper application of CTP codes is important to insure employees receive the proper benefit treatment based on their eligibility and also for accurate reporting. Before making coding decisions, factors such as retirement eligibility, credited service and length of service should be carefully checked to insure proper treatment of participants.*

ATTACHMENT C

**Pension Administration Guidelines  
For Retirement Estimates and Processing  
2002 Delphi Salaried Retirement Incentive Program**

**Retirement Estimate Requests**

The candidate list will be forwarded to PAC for processing of estimates. Upon completion the estimates will be sent to the Salaried HR Directors.

PAC will instruct any employee who calls and requests a SRIP estimate to contact their HR Department. Further, **no 2002 Delphi U.S. Salaried Retirement Incentive Program Estimate Requests will be accepted over the phone.**

SRIP Agreement forms **must be completed** and received by PAC by **January 28, 2002** and all completed retirement packages must be received by PAC no later than February 11, 2002 in order to receive a retirement check on **March 1, 2002**. If paperwork is not received until after these dates the first retirement check will be issued no earlier than April 1, 2002 inclusive of the March 1, 2002 retirement benefits. Participants who voluntarily elect to separate as early as January 1 or February 1, 2002 will receive benefit payments retroactive to their effective date.

**Retirement Processing**

PAC will send a "Retirement Forms Package" to an employee after receipt of a signed copy of the "2002 Delphi U.S. SRIP Retirement Program Agreement" (**Exhibit 3**). Delphi locations can either fax or mail the signed Agreement to PAC. If the Agreement is faxed, the original Agreement form with the notation "PREVIOUSLY FAXED" at the top must still be sent to PAC for retention in the employee's Master Retirement File. No payments will be authorized by the PAC without an original Agreement form. In addition, please make sure that all Agreements contain the employee's social security number.

**Approval for Retirement Payment**

To ensure all processing is complete, PAC will approve a SRIP for payment only after verifying that 1) the incentive separation code appears in PARS, 2) there is an original signed "2002 Delphi U.S. Salaried Retirement Incentive Program Agreement".

**Questions Regarding SRIP Retirements**

If you have any questions, please contact:

Angela Moss  
Phone: 248.262.7806  
Fax 248. 262. 2300



ATTACHMENT D

**Sample List**  
**Certification/Age Summary of Candidates**  
**2002 Delphi U.S. Salaried Retirement Incentive Program**

<u>Job Title Classification(s)</u>	<u>Ages of Candidates Selected</u>	<u>Number of Candidates Selected</u>
Assistant Transportation Manager	54	2
	56	1
	58	1
	59	1
	60	1
Associate Administrator	53	1
	55	2
	56	1
	57	1
	58	1
	60	2
	61	3

**Certification/Age Summary of Non Candidates**  
**2002 Delphi U.S. Salaried Retirement Incentive Program**

<u>Job Title Classification(s)</u>	<u>Ages of Non Candidates</u>	<u>Number of (Not Eligible or Selected) Candidates</u>
Assistant Transportation Manager	27	1
	28	1
	33	1
	34	1
	38	1
	39	1
	41	1
	42	1
	43	1
	44	3
	45	1
	46	2
	48	1
	50	2

EXHIBIT 1

**2002 Delphi U.S. Salaried Retirement Incentive Program  
Candidate Information**

Delphi Automotive Systems Corporation ("Delphi") has approved an amendment to the Delphi Automotive Systems U.S. Retirement Program for Salaried Employees ("SRP") to offer selected eligible salaried employees in U.S. units and U.S. sourced Expatriates a Salaried Retirement Incentive Program ("SRIP") for March 1, 2002. Candidates may voluntarily choose to separate as early as January 1 or February 1, 2002 with benefit payments retroactive to their effective date.

**Eligibility Provisions**

- ◆ Employees ages 53-61 whose skills, abilities and/or positions are deemed by management not to meet Delphi's needs in the future.
- ◆ Employees ages 55-61 must have at least 10 years SRP credited service by date of retirement.
- ◆ Employees ages 52-54 must have at least 25 years SRP credited service by date of retirement.
- ◆ Employees must be at least age 53 by December 31, 2002 and less than age 62 at retirement.
- ◆ Employees must be on an approved list of candidates. Candidates who meet the eligibility provisions for both the SRIP and Special CTP may be given the option to participate in either one, but not both, of the offerings. A SRIP eligible candidate who elects to participate in a CTP must sign a form so indicating the CTP election.

**Retirement Provisions**

The 2002 SRIP will:

- ◆ Provide participants, ages 58-61 with unreduced SRP benefits.
- ◆ Provide participants, ages 52-57 with actuarially determined SRP benefits.
- ◆ Allow selected candidates who will attain age 53 by December 31, 2002 to participate. All other age applications will be as of the effective date of retirement. The 81.6% benefit applies to candidates who retire at age 52, but will attain age 53 by December 31, 2002.

<u>Age</u>	<u>% of Benefit</u>	<u>% of Benefit – Voluntary Retirement if qualified</u>
57	93.5	69.4
56	87.3	63.5
55	81.6	57.9
54	81.6	53.2
53	81.6	48.9
52	81.6	45.0

### **Other Benefit Provisions**

In addition to retirement benefits, the SRIP will:

- ◆ Provide Basic Life, Optional Life, Dependent Life and Personal Accident Insurance, plus Health Care coverages on the same basis as other retired salaried employees receiving retirement benefits which are unreduced for age. However, SRIP participants hired on or after January 1, 1993 will be offered health care coverages on an employee pay all basis and may convert Basic Life insurance to an individual policy of insurance in accordance with plan provisions.
- ◆ Allow participants, who established spending accounts for 2002 during the Options! enrollment process in 2001 or as the result of a life event prior to separation to continue to submit claims for reimbursement for expenses or services incurred in 2002, through March 31, 2003. However, such participants will be responsible to satisfy payment obligations to health care spending accounts (i.e., monies will be deducted from the last salary check to satisfy such obligations).
- ◆ Allow participants to leave their savings in the Savings-Stock Purchase Program ("S-SPP") or take distributions per the S-SPP provisions.
- ◆ Not allow participants to receive the 2002 Flexible Compensation payment.
- ◆ Require any stock options, including the Founder's Grant, retained by participants from prior years to be exercised within 5 years of the retirement effective date accordance with the acceptable plan terms. Any required "holding period" is included in this time limit.

### **Approval Requirements and Procedures**

SRIP candidates must be actively employed and nominated by management. Participation is limited to candidates whose names are officially approved for inclusion on the candidate list by an expressly delegated authorized representative acting on behalf of Delphi. Once a candidate is approved, the following provisions apply:

- ◆ Participation in the SRIP is **voluntary**. Approved candidates cannot be forced to retire or prevented from retiring if they so choose.
- ◆ Employees ages 52 through 61 whose participation has not been approved (whose names are not on the approved list) will not be eligible to retire under the provisions of the SRIP.
- ◆ Approved candidates must properly execute the "2002 Delphi U.S. Salaried Retirement Incentive Program Agreement". PAC must receive the signed "Agreement" by **January 28, 2002** and all completed retirement packages must be received by February 11, 2002 in order to receive a March 1, 2002 check. If paperwork is not received until after this date the first retirement check will be issued April 1, 2002 inclusive of the March 1, 2002 retirement benefits.

- ◆ Even though candidates whose participation has been approved may indicate they intend, or do not intend, to separate under the SRIP, they may change their minds at any time prior to the scheduled effective date of retirement. However, if candidates have properly executed the "2002 Delphi U.S. Salaried Retirement Incentive Program Agreement", the election of the candidates to retire will not be changed if management has made decisions regarding operations, staffing, redeployment, job assignment or employee placement, and the 7 calendar day revocation period has expired.

#### **General Conditions**

- ◆ Participation in this SRIP will be monitored to assure compliance with tax law non-discrimination requirements.
- ◆ Delphi, as Program Administrator, will interpret SRIP provisions and resolve all issues arising in the administration and application of the SRIP.
- ◆ Participants **will not** earn vacation eligibility, receive any merit treatment and/or incentive compensation payout (if any) for 2002.
- ◆ Employees who accept and participate in the incentive separation programs may not return to Delphi as employees, independent consultants/contractors or bundled service personnel. This restriction applies to subsidiaries, affiliated companies or companies in which Delphi has ownership interest. Additionally, participants separating under the SRIP will not be eligible to be assigned by a vendor to Delphi to work in a contract service personnel assignment absent advance divisional approval in accordance with corporate guidelines.
- ◆ Each participant in this SRIP will be required to sign the "2002 Delphi U.S. Salaried Retirement Incentive Program Agreement". All candidates will be given the opportunity to have a period of at least 45 calendar days to consider whether to participate in the SRIP. Candidates are encouraged to review the provisions and the terms of the Agreement with an attorney of their choosing.
- ◆ There will be a 7-calendar day revocation period once a candidate has signed the "Agreement" to participate in the SRIP. **For candidates who voluntarily elect to retire on January 1, 2002, the revocation period is at least 7 calendar days or January 2, 2002, whichever is later. Candidates who elect to retire on February 1 or March 1, 2002, should not sign the "Agreement" form prior to January 2, 2002.** The 7-calendar day revocation period may not be waived; however, participants may separate during this time period.
- ◆ Candidates who accept an offer to retire under the provisions of this SRIP must maintain satisfactory performance for as long as they remain employed by Delphi.
- ◆ Employees with established, current "unsatisfactory performance" ratings are not eligible for this SRIP. Those situations will be reviewed with the objective of improved performance or separation via the "final release" classification.

### **Limit On Benefits**

All benefits under the SRIP are subject to the terms and conditions of the appropriate benefit plan, including the right of Delphi to increase or decrease benefits and to amend, modify, suspend or terminate any such benefit plan. No one is authorized to offer a candidate special considerations or promises (i.e., no "special deals") with respect to any future changes to any benefit plan (e.g., health care).

### **Appeal Procedure**

In the event an employee is denied participation in the SRIP and the employee wants such a decision to be reconsidered, review may be sought under the Delphi Open Door Policy. The Division Salaried HR Director will make the final decision for Delphi.

### **ERISA**

This SRIP is governed by provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended and the Internal Revenue Code of 1986, as amended. The Plan Administrator is Delphi Automotive Systems Corporation. Other information describing your rights under ERISA is contained in the booklets describing your employee benefits.

EXHIBIT 2

**2002 Delphi U.S. Career Transition Program Candidate Information**

Delphi Automotive Systems Corporation ("Delphi") has approved a Career Transition Program ("CTP") for offering to selected eligible salaried employees in U.S. units and U.S. sourced Expatriates for March 1, 2002 to assist them in transitioning to careers outside Delphi. Eligible candidates may voluntarily choose to separate with benefits as early as January 1 or February 1, 2002.

**Eligibility Provisions**

- ◆ Employees whose skills, abilities, or positions are deemed by management not to meet Delphi's needs in the future.
- ◆ Employees must have at least one-year length of service prior to the commencement of CTP leaves of absence.
- ◆ Employees must be on an approved listing of candidates. Candidates who meet the eligibility provisions for both a SRIP and a CTP may be given the option to participate in either one, but not both, of the offerings. No person may appear on the candidate list of both a SRIP and CTP being offered at the same time.

**CTP Provisions**

- ◆ Participants who have agreed to separate from Delphi employment upon expiration of a CTP leave will be provided salary continuation payments during this period.
- ◆ Base salary and length of service at the commencement of the CTP leave will be used in determining the length of the CTP:

<u>Years Length of Service</u>	<u>Months of CTP leave</u>
1 < 5	5
5 < 10	6
10 < 15	8
15 < 20	10
20 < 25	12
25 +	14

- ◆ Participants with 20 or more years of credited service at the commencement of the CTP leave and who are not eligible to retire at the conclusion of the CTP leave will be eligible for a Pension Protection feature under which the final average salary calculations for deferred pension purposes, will be increased as described later in this document.
- ◆ Candidates will be eligible for pre-decision career/life counseling to assist them in arriving at a participation decision.
- ◆ Candidates who elect to participate in the CTP will be eligible for post-decision career transition support, which includes career assessment and consultation, resume preparation, etc.

### **Approval Requirements and Procedures**

Candidates for the CTP must be nominated by management and approved by an expressly delegated authorized representative acting on behalf of Delphi. Employees whose participation has not been approved (whose names are not on the approval list) will not be eligible for benefits under the provisions of the CTP. Provisions applicable to candidates eligible for the CTP are:

- ♦ Participation in the Pension Protection provision of the CTP is limited to those candidates who have 20 or more years credited service but are not eligible to retire at the expiration of the CTP leave. Such candidates must be on a separate, officially approved candidate list which has passed required tax law non-discrimination testing.
- ♦ All approved candidates must **have the CTP information**.
- ♦ Approved candidates must properly execute the "2002 Delphi U.S. Career Transition Program Agreement".
- ♦ Participation in the CTP is **voluntary**. Approved candidates cannot be forced to accept the CTP or prevented from separating if they so choose.
- ♦ Even though candidates whose participation has been approved may indicate they intend, or do not intend, to accept the CTP, they may change their minds at any time prior to the scheduled effective date of their leave. However, if candidates have properly executed the "2002 Delphi U.S. Career Transition Program Agreement", the election of the candidates to separate will not be changed if management has made decisions regarding operations, staffing, redeployment, job assignment or employee placement, and the 7 calendar day revocation period has expired.

### **General Conditions**

- ♦ Participation in the Pension Protection provision of the CTP will be monitored to assure compliance with tax law non-discrimination requirements.
- ♦ Delphi, as Program Administrator, will make all factual findings, and interpret and apply program provisions, and resolve all issues arising in the administration and application of the CTP.
- ♦ Each participant in the CTP will be required to sign the "2002 Delphi U.S. Career Transition Program Agreement". All candidates will be given the opportunity to have a period of at least 45 calendar days to consider whether to participate in the CTP. Candidates are encouraged to review the provisions and the terms of the Agreement with an attorney or advisor of their choosing.
- ♦ There will be a 7-calendar day revocation period once a candidate has signed the "Agreement" to participate in the CTP. **For candidates who voluntarily elect a CTP leave commencing on January 1, 2002, the revocation period is at least 7 calendar days or January 2, 2002, whichever is later. Candidates who elect a CTP leave commencing on February 1 or March 1, 2002, should not sign the "Agreement" form prior to January 2, 2002.** The 7-calendar day revocation period may not be waived; however, participants may separate during this time period.
- ♦ Participants **will not** earn vacation eligibility, receive any merit treatment and/or incentive compensation payout (if any) for 2002.

- ◆ Candidates who accept an offer to separate under the provisions of the CTP must maintain satisfactory performance for as long as they remain employed by Delphi.
- ◆ Employees with established current "unsatisfactory performance" ratings are not eligible for the CTP. Their situations will be reviewed with the objective of improved performance or separation via the "final release" classification.
- ◆ Employees who accept and participate in the incentive separation programs may not return to Delphi as employees, independent consultants/contractors or bundled service personnel. This restriction applies to subsidiaries, affiliated companies or companies in which Delphi has ownership interest. Additionally, participants separating under the CTP will not be eligible to be assigned by a vendor to Delphi to work in a contract service personnel assignment absent advance divisional approval in accordance with corporate guidelines.

### **Impact On Benefits**

All benefits under the CTP are subject to the terms and conditions of the appropriate benefit plan including the right of Delphi to increase or decrease benefits and to amend, modify, suspend or terminate any such benefit plan. No one is authorized to offer a candidate any special considerations or promises (i.e., no "special deals") with respect to any future changes to any benefit plan (e.g., health care).

- ◆ Participants **will not accrue credited service** under the SRP, may not make contributions to the SRP or the Savings-Stock Purchase Program ("S-SPP"), will not have Delphi disability benefits coverage, and are not eligible to apply for a total and permanent disability retirement during the period of the CTP leave.
- ◆ Corporation contributions for Basic Life Insurance coverage continue until expiration of the CTP leave. Optional Life, Dependent Life, and Personal Accident Insurance provisions continue to apply on the same basis as for active employees, i.e. coverage continues while required contributions are made.
- ◆ Participants who have elected Long Term Care Insurance may continue their coverage through payroll deductions during the CTP leave. When the CTP ends, John Hancock Financial Services will contact them to determine their preferred method of payment.
- ◆ Participants currently participating in the salaried benefits program will be permitted to continue participation during CTP leaves as modified for health care under the following terms:
  - Participants who are eligible to retire at the expiration of the CTP leave will be eligible for Health Care coverages on the same basis as regular active employees during the CTP leave. When such participants retire, continuation provisions applicable to salaried retirees will apply for Health Care and Basic Life Insurance, based on age and service on the date of retirement.
  - Participants who are not eligible to retire at expiration of CTP leave will have continued Health Care coverage available under either COBRA or CTP continuation. Participants must choose one or the other prior to commencement of the CTP leave and contributions will be as noted below:



**COBRA:** Employee-paid at 102% of "full cost." All coverages available; maximum duration generally 18 months; conversion of core coverage (other than prescription drug, hearing aid, dental, vision or Extended Care Coverage) is available at expiration of the COBRA continuation period.

**CTP:** Dental coverage ceases at the end of the month participants are last in active service and no conversion is available. Other coverages may be continued for the balance of the leave. Up to the first 6 months, participants on leave will make the same monthly contributions and other cost sharing payments as active employees (based on options elected and number of individuals covered). After 6 months, participants remaining on leave pay 50% of the "full cost" of coverages that are continued as well as any applicable cost sharing that may be required based on the options elected. Upon separation, all coverages cease. Conversion policies for coverages other than prescription drug, hearing aid, vision and Extended Care Coverage are available from the carriers with whom the participants were enrolled immediately preceding separation.

- ♦ Participants **will not** receive the 2002 Flexible Compensation payment.

**Certain Benefits After Leave/Salary Continuation Period**

- ♦ The Pension Protection provision is available to participants who have 20 or more years of credited service under SRP at the commencement of the CTP leave, but who are not eligible to retire at the expiration of the CTP leave, and provides the following:
  - The SRP has been amended to increase the final average salary by 3% for each full year (non-compounded) until the earlier of age 60, commencement of deferred retirement benefits, death, or date the participant elects a cashout.
  - Final average salary for purposes of determining vested benefits **will not** include salary received during the period the CTP leave.
  - Deferred retirement benefits under the SRP are payable on an unreduced basis at age 60. Alternatively, the participant may elect to have such benefits commence as early as age 55. In such case, however, the benefit would be on a reduced basis from age 65 in accordance with SRP.
- ♦ The 3% Pension Protection provision and the provision for unreduced benefits as early as age 60 do not apply to employees who are eligible to retire at the expiration of leaves of absence.
- ♦ The S-SPP has been amended to extend loan eligibility to all participants who have separated from Delphi under the CTP. Therefore, such former employees, who have separated as a result of the CTP, will have access to their S-SPP assets via loans on the same basis as active Delphi salaried employees. Loans must be repaid by making monthly cash payments.
- ♦ Participants who established spending accounts for 2002 during the Options! enrollment process in 2001 or as the result of a life event prior to the commencement of their leave may continue to submit claims for reimbursement for expenses or services incurred in 2002, through March 31, 2003. However, such participants will be responsible to satisfy payment obligations to health care spending accounts (i.e., monies will be deducted from the last salary check to satisfy such obligations).

- ♦ Any stock options, including the Founder's Grant, retained by participants from prior years must be exercised in accordance with the acceptable plan terms by February 28, 2005 for CTP. Any required "holding period" is included in this time limit.

#### **Appeal Procedure**

In the event an employee is denied participation in the CTP and the employee wants such a decision to be reconsidered, review may be sought under the Delphi Open Door Policy. The Division Salaried HR Director will make the final decision for Delphi.

#### **ERISA**

The employee pension and welfare benefit plans encompassed in the CTP are governed by provisions of the Employee Retirement Income Security Act of 1974 (ERISA) as amended and the Internal Revenue Code of 1986 as amended. The Plan Administrator is Delphi Automotive Systems Corporation. Other information describing your rights under ERISA is contained in the employee booklets describing benefits.

EXHIBIT 3

**2002 Delphi U.S. Salaried Retirement Incentive Program Agreement**

Management has discussed with me the options of continued employment with Delphi Automotive Systems ("Delphi") or separating from Delphi by accepting a retirement under the provisions of the 2002 Delphi U.S. Salaried Retirement Incentive Program ("SRIP") amendment to the Delphi Automotive Systems Retirement Program for Salaried Employees. I have evaluated the policy and benefit arrangements made available to me under the SRIP and have decided to accept them. **My retirement will be effective \_\_\_\_\_, 1, 2002.**

I understand that the SRIP benefit provisions are available only under the terms of the SRIP. I further understand that these provisions are not available to me unless my participation has been authorized by the SRIP as approved by Delphi. Further, I acknowledge that the benefits to which I am entitled are determined solely by the written provisions of the SRIP and other applicable benefit plans. Absent an express delegation of authority from the Delphi Board of Directors, no one has the authority to commit Delphi to any benefit or benefit provision not provided for under the written terms of the SRIP, or other applicable benefit plans, or to change the eligibility criteria, or any other provisions of such plans.

I understand that I will earn no vacation time off for the calendar year 2002.

I am satisfied with the terms of this Agreement and the SRIP. I acknowledge that I am voluntarily accepting these terms. This acceptance is not under duress. I acknowledge that I am not being coerced into signing this Agreement. I understand that execution of this Agreement is a condition of eligibility for the SRIP.

I acknowledge that I am able to work and suffer from no disability that would preclude me from doing my regularly assigned job. As such, I acknowledge that I am not entitled to disability pay or benefits.

I acknowledge that Delphi has made no representations, promises, or agreements relating to my employment and participation in the SRIP which are contrary to this Agreement. I further acknowledge that the terms of the SRIP, including this Agreement, constitute the entire and only agreement between Delphi and me.

I agree that Delphi reserves the right to increase or to decrease certain benefits and to amend, modify, suspend, or terminate each of its benefit plans. Neither this Agreement nor the provisions of the SRIP limit or in any way modify this right. I understand that, as a matter of prudent business planning, Delphi is continually reviewing and evaluating various proposals for changes in compensation and benefits, as well as proposals for special separation incentive programs like the current SRIP. Some of these proposals, if finally approved and implemented, might be more advantageous or less advantageous than the current SRIP. I do not expect or assume that any such new or modified programs, compensation, or benefits will be extended on a retroactive basis to me following my separation from Delphi under the current SRIP. Because of the need for confidentiality, such decisions are not discussed or evaluated below the highest level of management. Any managers below such levels do not know whether Delphi will, or will not, adopt any future proposals and are not in a position to advise any employee whether or not to participate in this SRIP or to speculate about future proposals. Unless and until such proposals are formally announced by Delphi, no one is authorized by Delphi to give assurance that such proposals will, or will not, occur.

I further acknowledge that Delphi has made decisions regarding operations, staffing, redeployment, job assignment, and/or employee placement in reliance upon my decision to separate. Once this Agreement is effective, I will not be allowed to rescind my decision regarding the SRIP and **Delphi may terminate my employment effective \_\_\_\_\_, 1, 2002.** I further acknowledge that I will not be eligible at any time in the future for reemployment by Delphi or any of its subsidiaries, or affiliated companies, or companies in which Delphi has an ownership interest.

In consideration for the favorable treatment accorded me under the SRIP, I, on my own behalf and on behalf of my heirs, agents, representatives, successors, or assigns, release and discharge Delphi and General Motors Corporation, their officers, directors, and employees from all claims, demands, and causes of action, known or unknown, which I may have based on my employment or my separation from Delphi. This release specifically includes, without limitation, a release of any rights or claims I may have under the Employee Retirement Income Security Act of 1974 (ERISA); as amended; the Age Discrimination in Employment Act (ADEA), which prohibits age discrimination in employment; Title VII of the Civil Rights Act

of 1964, which prohibits discrimination in employment based on race, color, national origin, religion, or sex; the Americans with Disabilities Act, which prohibits discrimination in employment based on disability; the Equal Pay Act; state fair employment practices or civil rights laws, and any other federal, state, or local laws, or regulations, or any common law actions relating to employment, or employment discrimination, including those which preclude any discrimination based on age. This includes, without limitation, any claims for breach of employment contract, either expressed or implied, defamation, slander, libel, tort, and wrongful discharge. This Agreement does not waive any claims that arise after the date I separate from Delphi under this Agreement.

I further agree not to divulge to or discuss with any unauthorized person any proprietary information I acquired during my employment with Delphi. I will not institute any proceedings against Delphi or GM or their officers, directors, agents, employees, or stockholders, based on any matter relating to my employment or my separation from Delphi.

I acknowledge that I have been offered a 45 calendar day period to review and consider the terms of the SRIP and this Agreement before signing it. If I execute this Agreement and I am voluntarily electing a retirement date of January 1, 2002 I will have a period of at least 7 calendar days after execution or until January 2, 2002, whichever is later, to revoke, in writing, my acceptance and this Agreement will not be effective until expiration of this period. If I execute this Agreement and I am voluntarily electing a retirement date of February 1, 2002 or March 1, 2002, I will have a period of 7 calendar days to revoke, in writing, my acceptance and this Agreement will not be effective until the expiration of this 7 calendar day period. For this revocation to be effective, written notice must be received by the representative of Delphi whose name appears below no later than the close of business on the 7th calendar day after I sign this Agreement. If I revoke this Agreement, it shall not be effective or enforceable, and I will not receive the benefits and consideration described herein.

I have also been advised to consult with an attorney before signing this Agreement, but understand whether or not I do so is my own decision.

I acknowledge that Delphi has provided to me in writing a listing of any class, unit, or group of individuals covered by the SRIP, eligibility factors for the SRIP, time limits applicable to the SRIP, job titles and ages of all individuals selected for the SRIP, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the SRIP.

I have carefully read this Agreement and understand it. I have not relied on any representations, promises, or agreements of any kind made to me in connection with my decision to accept the SRIP except for those set forth in this Agreement.

Employee Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature Date

\_\_\_\_\_  
Delphi Representative Signature Date

EXHIBIT 4

**2002 Delphi U.S. Career Transition Program Agreement**

Management has discussed with me the options of continued employment with Delphi Automotive Systems ("Delphi") or accepting a special leave of absence and salary continuation to be immediately followed by separation from Delphi under the provisions of the 2002 Delphi Career Transition Program ("CTP"). I have evaluated the policy and benefit arrangements made available to me under the CTP and have decided to accept them. I understand the purpose of the CTP is to assist participating employees' transition to careers outside of Delphi. **My CTP leave will be effective \_\_\_\_\_ 1, 2002 and I will separate employment from Delphi on \_\_\_\_\_, 200\_ at the expiration of my leave of absence.**

I understand that the CTP leave of absence, salary continuation, and benefit provisions are available only under the terms of the CTP. I further understand that these provisions are not available to me unless my participation has been authorized by execution of this Agreement on behalf of Delphi by the authorized manager for my employing unit. Further, I acknowledge that the policy, compensation and benefit arrangements to which I am entitled are determined solely by the written provisions of the CTP and other applicable benefit plans. Absent an express delegation of authority from the Delphi Board of Directors, no one has the authority to commit Delphi to any benefit or benefit provision not provided for under the written terms of the CTP, or other applicable benefit plans, or to change the eligibility criteria, or any other provisions of such plan.

I understand that I will earn no vacation time for the calendar year 2002.

I am satisfied with the terms of this Agreement and the CTP and acknowledge I am voluntarily accepting these terms. This acceptance is not under duress. I acknowledge that I am not being coerced into signing this Agreement. I understand that execution of this Agreement is a condition of eligibility for the CTP.

I acknowledge that I am able to work and suffer from no disability that would preclude me from doing my regularly assigned job. As such, I acknowledge I am not entitled to disability pay or benefits. Further, I acknowledge if I apply for and receive any government provided unemployment benefit during the period I am on CTP leave, the amount of salary continuation I otherwise would receive from Delphi will be reduced by the amount of unemployment benefits I receive, to the extent such reduction is allowed by applicable law.

I acknowledge that Delphi has made no representations, promises, or agreements relating to my employment and participation in the CTP, which are contrary to this Agreement. I further acknowledge that the terms of the CTP, including this Agreement, constitute the entire and only agreement between Delphi and me.

I agree that Delphi reserves the right to increase or to decrease certain benefits and to amend, modify, suspend, or terminate each of its benefit plans. Neither this Agreement nor the provisions of the CTP limit or in any way modify this right. I understand that, as a matter of prudent business planning, Delphi is continually reviewing and evaluating various proposals for changes in compensation and benefits, as well as proposals for special separation incentive programs like the current CTP. Some of these proposals, if finally approved and implemented, might be more advantageous or less advantageous than the current CTP. I do not expect or assume that any such new or modified programs, compensation, or benefit provisions will be extended on a retroactive basis to anyone who separates from Delphi under the current CTP. Because of the need for confidentiality, such decisions are not discussed or evaluated below the highest level of management. Any managers below such levels do not know whether Delphi will, or will not, adopt any future proposals and are not in a position to advise any employee whether or not to participate in this CTP or to speculate about future proposals. Unless and until such proposals are formally announced by Delphi, no one is authorized by Delphi to give assurance that such proposals will, or will not, occur.

I further acknowledge that Delphi has made decisions regarding operations, staffing, redeployment, job assignment, and/or employee placement in reliance upon my decision to separate. Once this Agreement is effective, I will not be allowed to rescind my decision regarding the CTP and **Delphi may terminate my employment effective \_\_\_\_\_, 200\_**. I further acknowledge that I will not be eligible at any time in the future for reemployment by Delphi, or any of its subsidiaries, or affiliated companies, or companies in which Delphi has an ownership interest.

In consideration for favorable treatment accorded me under the CTP, I, on my behalf and on behalf of my heirs, agents, representatives, successors, or assigns, release and forever discharge Delphi and General

Motors Corporation, their officers, directors, and employees, from all claims, demands, and causes of action, known or unknown which I may have based on my employment or my separation from Delphi. This release specifically includes, without limitation, a release of any rights or claims I may have under the Employee Retirement Income Security Act of 1974 (ERISA) as amended; the Age Discrimination in Employment Act (ADEA), which prohibits discrimination in employment based on age; Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment based on race, color, national origin, religion, or sex; the Americans with Disabilities Act, which prohibits discrimination in employment based on disability; the Equal Pay Act; state fair employment practices or civil rights laws, and any other federal, state, or local laws, or regulations, or any common law actions relating to employment, or employment discrimination, including those which preclude any form of discrimination based on age. This includes, without limitation, any claims for breach of employment contract, either express or implied, defamation, slander, libel, or wrongful discharge. This Agreement does not waive any claims that arise after the date I separate from Delphi under this Agreement.

I further agree not to divulge to or discuss with any unauthorized person any proprietary information I acquired during my employment with Delphi. I will not institute any proceedings against Delphi, GM or their officers, directors, agents, employees, or stockholders, based on any matter relating to my employment or my separation from Delphi.

I acknowledge that I have been offered a 45-calendar day period of time to review and consider the terms of the CTP and this Agreement before signing it. If I execute this Agreement and I am voluntarily electing a CTP leave date of January 1, 2002, I will have a period of at least 7 calendar days after execution or until January 2, 2002, whichever is later, to revoke, in writing, my acceptance and this "Agreement" will not be effective until expiration of this period. If I execute this "Agreement" and I am voluntarily electing a CTP leave date of February 1, 2002, or March 1, 2002, I will have a period of 7 calendar days to revoke, in writing, my acceptance and this Agreement will not be effective until expiration of this 7-calendar day period. For this revocation to be effective, written notice must be received by the representative of Delphi whose name appears below no later than the close of business on the 7th calendar day after I sign this Agreement. If I revoke this Agreement, it shall not be effective or enforceable, and I will not receive the benefits and considerations described therein.

I have been advised to consult with an attorney, but understand whether or not I do so is my own decision.

I acknowledge that Delphi has provided to me in writing a listing of any class, unit, or group of individuals covered by the CTP, the time limits applicable to the CTP, the job titles and ages of all individuals selected for the CTP, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the CTP.

I have carefully read this Agreement and understand it. I have not relied on any representations, promises, or agreements of any kind made to me in connection with my decision to accept the CTP except for those set forth in this Agreement. I also agree that no offer has been extended to me unless this Agreement is executed below by the authorized manager for my Delphi employing unit.

\_\_\_\_\_  
Employee Name

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Delphi Representative Signature

\_\_\_\_\_  
Date

EXHIBIT 5

**Addendum To Change  
2002 Delphi U.S. Salaried Retirement Incentive Program Agreement**

I, \_\_\_\_\_, represent that my present state of disability precludes me from regular active employment and permits me to receive Sickness and Accident Benefits ("S&A") or Extended Disability Benefits ("EDB") under the Delphi Life and Disability Benefits Program for Salaried Employees. Nevertheless, I choose to separate from Delphi by accepting a retirement under the provisions of the 2002 Delphi U.S. Salaried Retirement Incentive Program ("SRIP"). **I agree that my retirement will be effective \_\_\_\_\_, 2002.** I understand that execution of this Addendum is a condition of eligibility for my participation in the SRIP. I further agree to waive my coverage under Delphi S&A and EDB programs and waive any and all rights I have to receive S&A and EDB which otherwise may be payable by Delphi, the Metropolitan Life Insurance Company, or any other insurance company or administrator on and after the commencement date of my retirement under the SRIP. I understand that by doing so I am waiving any and all rights to receive S&A and/or EDB which I am receiving or may be eligible to receive under the terms of the Delphi Life and Disability Benefits Program for Salaried Employees. I further understand and agree that I will not be eligible for total and permanent disability benefits under the Life and Disability Benefits Program or under the Delphi Retirement Program for Salaried Employees under any circumstances.

I also understand and agree that all the provisions of the 2002 Delphi U.S. Salaried Retirement Incentive Program Agreement which I have also signed (with the exception of the provision stating I "suffer from no disability that would preclude me from doing my regularly assigned job") apply to me.

Employee Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Delphi Representative Signature

\_\_\_\_\_  
Date

EXHIBIT 6

**Addendum to Change 2002 Delphi Career Transition Program Agreement**

I, \_\_\_\_\_, represent that my present state of disability precludes me from regular active employment and permits me to receive Sickness and Accident Benefits ("S&A") or Extended Disability Benefits ("EDB") under the Delphi Life and Disability Benefits Program for Salaried Employees. Nevertheless, I choose to accept a special leave of absence and salary continuation to be immediately followed by separation from Delphi under the provisions of the 2002 Delphi Career Transition Program ("CTP"). **I agree that my special leave of absence will commence on \_\_\_\_\_ and expire on \_\_\_\_\_, 200\_\_.** In consideration for payments received as a result of my voluntary participation in the CTP, I further agree to waive my coverage under the Delphi S&A and EDB programs and waive any and all rights I have to receive S&A and EDB which otherwise may be payable by Delphi, the Metropolitan Life Insurance Company, or any other insurance company or administrator on and after the commencement date of my special leave under the CTP. I understand that by doing so I am waiving any and all rights to receive S&A and/or EDB which I am receiving or may be eligible to receive under the terms of the Delphi Life and Disability Benefits Program for Salaried Employees. I further understand and agree that I will not be eligible for total and permanent disability benefits under the Life and Disability Benefits Program or under Delphi Retirement Program for Salaried Employees under any circumstances.

I also understand and agree that all the provisions of the 2002 Delphi Special Career Transition Program Agreement which I have also signed (with the exception of the provision stating I "suffer from no disability that would preclude me from doing my regularly assigned job") apply to me.

Employee Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Delphi Representative Signature

\_\_\_\_\_  
Date



EXHIBIT 7

**2002 Delphi U.S. Salaried Retirement Incentive Program  
and  
Delphi Career Transition Program**

Management has discussed with me the options of (1) continued employment with Delphi Automotive Systems Corporation ("Delphi") and (2) separating from Delphi by accepting a retirement under the provisions of the 2002 Delphi U.S. Salaried Retirement Incentive Program ("SRIP") and (3) accepting a special leave of absence and salary continuation to be immediately followed by separation from Delphi under the provisions of the 2002 Delphi Career Transition Program ("CTP"). I have evaluated the policy and benefit arrangements made available to me under the SRIP and the CTP and have decided to

- 1) decline continued employment and
- 2) decline participation in the SRIP and
- 3) to accept participation in the CTP.

I also have properly executed the required 2002 Delphi Career Transition Program Agreement, and other forms, which may be required to claim benefits under the CTP and other Delphi benefit plans.

Employee Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Delphi Representative Signature

\_\_\_\_\_  
Date